Direct Loan Processing in COD for New Participants
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Virginia Hagins: Good morning. Good afternoon to some of you. Welcome to "Direct Loan Processing in Common Origination and Disbursement for New Participants." I'm Virginia Hagins, and I work out of the San Francisco Regional Office, and with me is Margaret Day, and she works out of the Denver office.

Today we're discussing the Common Origination and Disbursement system, or COD, and how you will use it in managing and administering Direct Loan. Throughout this week other Direct Loan sessions are being presented, with the entire Direct Loan training suite series being offered several times over the next couple of months. Additional sessions will be announced as needed.

But to begin let's cover some administrative details. If you've not already done so, you can download slides of today's presentation by clicking on the Download Slides. This will open a screen so you can download the file and print it at your leisure.

Today's webinar will be conducted in a lecture-only mode, so if you have questions during the webinar, make sure you click on the Q&A button. You will click in the blank field, type your question and click Ask. A question manager will respond personally to your question online. If we don't get back to you right away there may be some -- it may be more of an involved question, and we will get back to you later. We will discuss selected questions and answers at the end of today's session.

Today we're going to familiarize you with the various components of the Common Origination and Disbursement system. Some of you may have used many of these features in grant processing but are unfamiliar with how you can also utilize them in Direct Loan. For others, COD is a mystery to be explored, and this class will be an introduction for you. We're going to discuss COD functionality and features that are essential to you in your Direct Loan processing. Specifically, we will discuss the person, school, batch, services and user tabs in COD, as well as provide you some resources to assist you in Direct Loan.

The U.S. Department of Education is the only lender for the Direct Loan program. Therefore, there is one process. COD plays a central role in that process and is the topic of today's discussion. But first let's briefly review the Direct Loan process, which is covered in more detail in the programmatic primer offered in our Direct Loan training suite sessions.

After awarding, the school must originate the loan. Origination in Direct Loan is the equivalent of certification in FFEL and establishes the loan in the COD system. Once the loan has been originated and a promissory note has been completed by the borrower, the school disburses to the borrower and reports that disbursement via COD to the Department of Education. As a reminder, there are multiple ways in which schools are informed of whether or not a borrower has a Master Promissory Note, or MPN, including origination record responses and separate Master Promissory Note responses.

At that point, the loan will book to servicing. What do we mean by the loan books? When three key pieces of data are in the COD system the loan is said to be booked. Those three pieces of data are an origination record, a Master Promissory Note and an accepted actual disbursement. Each actual disbursement and any disbursement adjustments the school makes are also reported to COD.

So now let's move on to COD enrollment. If your school currently uses COD for other programs and has a school security administrator, there is no need to designate another. Your security administrator manages user accounts for your school and can add additional users for Direct Loan purposes, if needed. The administrator may need to adjust user roles to ensure that users have the appropriate access, such as credit check only. If your school doesn't currently use COD for other programs, you will need to designate a school security administrator. Instructions on how to do so are available at the website that you see on the bottom of your screen, ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools. Once you have logged in to COD there is also a User tab located on the toolbar at the top of the screen. This User tab will allow you manage your COD user account.

COD is a Federal Student Aid system that processes student award data for most Title IV grant programs: Pell Grants; Academic Competitiveness Grants, or ACG; the National SMART Grants and TEACH Grants; as well as Direct Loan. As a review, a school transmits data to COD via an XML-formatted common record through the Student Aid Internet Gateway, SAIG, which is the network that connects the school and various Federal Student Aid systems. COD sends responses to the school which provide information on the status of the data that the school transmitted. Responses are delivered to the SAIG mailbox designated by the school.

The COD website can be used to perform a variety of functions related to Master Promissory Notes, awards and disbursements. This slide that you see shows you the initial COD screen you will see when you go to COD.ed.gov. Now, looking at the bottom of the screen you see a red arrow pointing to "Click here if you are looking for more information'. This very helpful link takes you to a list of much-needed information. So let's go ahead and take a look at this list.

If you notice, each title on this list is a live link, and I want to point out a few of them to you. COD Frequently Asked Questions give you quick answers and is updated regularly. COD Processing Update for Direct Loan and Grants explains the latest status on processing in COD and is updated at least weekly. Looking down a bit, schools may sign up for the 2009-2010 and 2010-2011 testing. The next arrow points out the COD website access for schools that lists the steps for gaining access to COD. Now we have a link explaining that the COD security administrator should reference the COD user role chart when assigning roles to new users. And the last link I want to point out is computer-based training program for COD Web, COD Reports, eMPN Web, ATS Web for Agreements to Serve, which is part of the TEACH program. These are all self-paced classes that will help you learn more about COD.

If you click the login link you're taken to the login screen, as you can see on this slide. New users must log in and change their system-generated password within 24 hours of receipt. You will be asked to choose and answer three challenge questions. These questions will allow you to reset

your password or unlock your account. If you cannot recall your password or your account is locked, you will enter your user name and click the blue Reset Password or Unlock Account hyperlink. You will be asked to answer your security questions. Upon answering the questions successfully and clicking Submit, a password will be emailed to you. The first time you use that password to log in, you must change the password. Your security administrator can also unlock user accounts. However, if your security administrators are locked out, they must call COD School Relations to have their accounts reset. The phone number can be found at the end of this presentation.

Upon logging in you will be taken to the Welcome page. From here, you can access the tabs at the top of the screen to perform various functions and review information in the administration and management of Direct Loan at your school. But before we move on, please note that the COD News section, which contains the most recent news and notices of importance about COD and all of the systems that touch COD. Important information is highlighted on this screen. For example, a red arrow is pointing to a document, explaining that this is the last year for the pushed cash funding method. We click on the hyperlink to see more information on the topic. The COD News is a page you'll want to check out on a regular basis. Also notice the User tab on the blue menu bar at the top of your page. The User tab will take you to a screen where you can manage your school's user account.

As you can see on the left end of that blue menu bar, we have the Person tab circled, because this is the first tab that we're going to discuss today. Now, COD is student centric, meaning you may access all of the student's grants and loans by looking up the student's record. To look for the individual student, we click on Person in the blue main menu bar and this Person search screen appears. To search for a student, enter the full Social Security number with no dashes or enter their name. When searching by name, enter up to nine characters of the last name and up to five characters of the first name. If you enter a partial name, the search may take a bit longer to display the results.

Then you want to click Submit to see the Person information page, which we have here. The View Person Information screen shows the student's contact information and other data that is key for financial aid determinations, such as citizenship and dependent of a post-9/11 deceased veteran. Note the navigation list on the left side. Using this navigation directory we can find all of the student's awards, check for a promissory note, find the results of a credit check, and more. From the navigation directory under Person Info we're going to pick All Awards.

The Person All Awards Information screen shows the award amounts this student has received from all of the programs supported by COD. As you can see, this student has only received funds from the Direct Loan program. Using the navigation directory on the left, let's click on Direct Loan.

Here we go. On the Person Direct Loan Information screen we can see specific award amounts approved and disbursed, the student's grade level and the loan type. Now, this student has multiple awards for different award years. All of these loans happen to be from the same school, but they may not necessarily be on the student you look for. Had the student received loans to attend several schools over the years they would've been listed as well.

At the top of the screen under the student's name is the award year drop-down, and that displays only the years in which the borrower has Direct Loan data in the COD system. This student has awards for 2008-09 and 2009-10 award years. The Award ID consists of a student's Social Security number, the loan type indicator -- S for Sub, U for Unsub and P for PLUS -- your school's Direct Loan G-code and the Award Sequence Number.

So here's a question. Whose Social Security number will be shown on a PLUS Loan at the beginning of the Award ID -- the parent or the student? Well, a PLUS Loan borrowed by a parent will have the student's SSN in the Award ID. Each loan's award amount approved and award amount disbursed are also displayed. The last column is the loan type, such as S for Subsidized, Unsub for Unsubsidized and PLUS for PLUS Loans.

The Award ID written in blue is a hyperlink, and if we were to click on an Award ID hyperlink we will see the award detail information. The Award Detail Information screen provides more information on this loan. Notice the top blue menu bar now highlights Award rather than Person. We have seamlessly moved from the Person menu to the Award menu. Notice the award amount approved is $3,500 and the amount disbursed is zero.

If we looked farther down the page, we see there is also a booked date of June 29, 2009. The book date is the date the loan was booked with Direct Loan Servicing. Remember that a loan is considered booked when the loan has three data elements accepted by COD: an origination record, a Master Promissory Note and an actual accepted disbursement. Apparently, this first disbursement was made and then canceled, or what we call zeroed out.

Let's look at the Award Start Date and Award End Date. The Award State Date is the date when classes begin for the specific period covered by aid, also known as the loan period start date. A loan period may be all or a portion of an academic year. If we look further down the page we see the Academic Year Start and End Dates. These dates are the dates that the student's academic year starts and ends at the school. The Award Start and End Dates and the Academic Start and End Dates are often the same, but not always.

Now let's select Disbursements from the navigation directory. The Award Disbursements Information screen provides summary information for each disbursement for this particular award. Let's have a look at that first disbursement. The disbursement date is June 25, 2009, and the status is "Disbursed", but the dollar figures are all zeroes. Now, remember, as I said before, this disbursement was made, then canceled, or zeroed out. How do we see the underlying series of transactions that support this summary? Well, we're going to talk about that in the next couple of slides.

Meanwhile, let's look at that second disbursement. The Disbursement Date is September 7, 2009, with a Gross Award Amount of $1,750, an Origination Fee of $35, a Rebate of $27, and a Net Award of $1,742. The status of this disbursement is Pending. Status Pending means that all of the data elements are in place for this disbursement, including a disbursement date that is in the future. So this disbursement was waiting for its disbursement date to arrive at the time we took this screen shot.

The Disbursement Number is a blue hyperlink. It may be a little difficult to see that it is blue, but it is. To see greater detail about a particular disbursement, we would click on that disbursement number. That takes us to the Disbursement Information Screen, which shows greater detail about the first disbursement, such as Disbursement Date, Disbursement Amount and the Sequence Number.

Notice that the Date Disbursed is June 25, 2009, but the Date Processed is September 24, 2009. The Award Disbursement Gross is still zero. We can drill down even further clicking on History under Disbursement Info on the navigation directory. And this screen, the Disbursement History Information screen, displays all of the actions taken for a particular disbursement.

So let's look at Disbursement 1, the disbursement that was zeroed out. Here's what happened with Disbursement 1, Sequence 1. On June 29, 2009 the school sent in a net disbursement for $1,742, with a Disbursement Date of June 25, 2009, and COD responded on June 29, 2009. Since the disbursement already had an accepted Promissory Note and Origination Record on file, Disbursement 1, Sequence 1 booked the loan, and you can see the Book Date on the right-hand side -- June 29. The next action taken by the school, Disbursement 1, Sequence 66, was done on the web on September 24, 2009. A Sequence Number of 66 through 90 indicates a web action. The school reduced the disbursement amount by $1,742 using COD's Web Access.

So you should notice two things. First, the original disbursement date remains the same, but the Book Date changed to September 24, 2009, the date that the credit adjustment was processed. Secondly, although the school sent in the positive net amount disbursed, or the replacement value for that disbursement, the COD system displays the results of the action, in this case all zeroes, as we saw back on Slide 14. This Disbursement History screen is an invaluable tool in researching the sequence of events within a particular disbursement and to confirm that it reflects accurately the steps your school performed with this account.

I'd like to take a moment to show you the string of screen names that are in brown just below the blue main menu bar entitled Return to. Each screen name is a link, so we can click on that screen name and go straight to that screen. This feature makes it easier to move between screens as you research issues.

So, now let's change the topic and take a look at promissory notes. To search for a Direct Loan promissory note, click on ATS/Pnote Search on the navigation directory. Now, ATS stands for Agreement to Serve and is for our TEACH grant recipients. On this screen we see five gray boxes, each providing a different method to search for the borrower. The first would be the borrower's Social Security number. The second is the MPN identifier. These first two searches will retrieve both linked and unlinked Master Promissory Notes. And what do we mean by a linked Master Promissory Note? A linked MPN is one that is associated with a loan origination record. An unlinked MPN is one for which there is no loan origination record in the system to which it can be linked to.

The third gray box, Name Search, is a search by the borrower's name and will retrieve only linked MPNs. To search for unlinked MPNs use the name and date of birth fields in the fourth

gray box. If we search by school and date range in the fifth gray box, COD will return all linked and unlinked Direct Loan MPNs for the school and the date range.

Let's say we decided to search by Social Security number. Then you end up with a screen that looks like this. Notice that the MPN Identifier is a hyperlink. The MPN Identifier is made up of the student's SSN, the letter "M" for Subsidized and Unsubsidized Direct Loans or "N" for Plus Loans, the last two digits of the Award Year, the school's Direct Loan Code, and a three-digit sequence number. The Note Status/Link Status can be accepted and linked, as in this example, or it can be rejected -- unlinked. A linked MPN will have the borrower's full name and the status Accepted -- Linked. An unlinked promissory note will also have the borrower's full name but will have a Pending Unlinked status.

The Type indicator identifies the PLUS borrower as a graduate student or a parent. The MPN Identifier for both categories of borrowers has the letter "N" in the Identifier, so you need this column so you can see the difference. In this case, the borrower is a parent, so this is a Parent PLUS.

Now let's see the results of the Master Promissory Note's Date Range search. If we search by date range, we see that the Agreement to Serve promissory note search results screen shows the MPN Identifier and whether the MPN is linked to an award. The last column, the Type Indicator, identifies whether the note is for a parent PLUS or a grad PLUS borrower. If we click on the MPN hyperlink, we'll be taken to the details of that particular MPN.

This slide shows the details of the MPN, showing that it was electronically completed and received on August 27, 2008. Notice that this page shows all of the loans that have been linked to this particular MPN. The MPN expiration date is August 20, 2018. It's important to remember that an MPN expiration date is initially one year from the date of receipt. Once an actual accepted disbursement is received on a loan linked to the MPN the date is extended to 10 years from the date of receipt. All loans linked before the expiration date can be fully disbursed.

This MPN has four awards linked to it, two from 2008-09 and two from 2009-10. To see an image of the signed promissory note you would click on the link indicated by the red arrow, View Signed Promissory Note, which we'll see on the next screen. Now, this is a printable PDF version of a signed MPN. Notice it has no loan-specific information because Master Promissory Notes can be linked to many Direct Loans. COD will accept both paper and electronic MPNs, but you can only view electronic notes via the COD website.

We did a person search and we did a promissory note search, so now let's do a credit check search. So, who needs a credit check? All PLUS Loans require a credit check. From the Person tab we can search for existing credit results or initiate a credit check. When you initiate a credit check you must have permission from the borrower. If the borrower has signed an MPN, you have that permission and you don't have to ask again. If the borrower has not signed an MPN, you must obtain written permission before initiating the credit check.

To search for credit check information, enter the Social Security number and date of birth of the borrower, then click Search to generate a list of results. Now, since Margaret is a graduate

student and wants to borrow a PLUS Loan, we'll enter her Social Security number and date of birth and then click Search. As a school, you will be able to see the decision and the decision date. Your institution needs to have a written policy in place on how you will handle declined credit checks. Will you allow borrowers the time to appeal, obtain an endorser, or will you proceed with an Unsubsidized loan for your borrower?

A credit check is initiated in one of two ways: through the online credit check we just reviewed or through the origination process. Either way, COD notifies the borrower of the results. If the credit check was initiated online, COD notifies the borrower and refers the borrower to the school who initiated the credit check. If the credit check was initiated through the origination process, then notification includes all of the borrower's school options and includes an endorser packet, if needed, and instructions on how to appeal the credit check decision. Keep in mind, too, that our new Direct Loan site, studentloans.gov, also has a way for students and/or PLUS borrowers to initiate their own credit check.

Now that we know how to do a credit check let's search for the correspondence that is associated with a particular student. Under the Person Info heading in the navigation directory, we select Correspondence to view this screen. Here we see a list of letters and statements sent to the borrower. The Requested By column displays the user or entity that made the original request. The Status column displays current request status. This screen allows authorized users to view or request a reprint of correspondence previously sent by COD.

I'm now going to pass the next portion on to Margaret, who will start off by discussing School Search.

Margaret?

Margaret Day: Thank you very much. This is Margaret Day, and I work from the Denver office.

To search for a specific school, we select the School tab from the blue main menu. We can search two ways, by entering the Entity ID number or entering the school name. At the bottom of the screen we may choose which program and award year information that you may want to view. Then we click Search.

The School Summary information screen is a great snapshot of your school's current cash by program and award year and is the first screen you see when you search for your school. From this screen a number of screens are available that provide summary and detailed information about your cash receipts compared with your disbursement activity. Other schools cannot view your financial information, and you can't view theirs. The contact information is available to all, but financial information is restricted to your school's users.

Under Contacts is the name and phone number of the key financial aid contacts at your school. This resource can be viewed by other schools and is used when other schools need to contact you. The Department of Education also uses this contact information. Please, please, please make sure that this contact information is up to date. How do you do that? Your school inputs new contact information by going out to the eApp website, and that one is www.eligcert.ed.gov.

There you can update your electronic application, which is called your eApp. This information will then flow to COD.

From the navigation directory on the left, let's select School Options. On the School Options Update page you can manage several of your Direct Loan processing options. Let's take a minute to talk about each of these options. You don't have to do this on a regular basis. You only have to do it once an award year. But these items are important, so I want to go through them briefly.

The Promissory Note Type Option relates to whether your borrowers sign a new MPN every academic year or use a multiyear promissory note. Most schools don't require the new MPNs each year and instead use the default option, which is the multiyear promissory note. To change this option from the multiyear default you'll need to contact the COD School Relations Center. Remember, this option relates to your school's preference and not to the MPN itself. Master Promissory Note is what we mean when we say MPN. If a student asks to sign a new promissory note every year, then you must accommodate this request in spite of your school's desire to use the electronic version.

Let's look at the next one, the Web Activity Response Option. This allows you to decide whether you want to receive a response when you submit data via the COD website. Check your software that you use, whichever one it is, to ensure that it's capable of receiving COD web responses. EDExpress is eligible and can receive COD web responses.

The next one is a Promissory Note Print Option. It determines whether COD regularly prints and mails paper promissory notes to your borrowers. Schools who print their own notes and use the eMPN, the electronic version, if you use that eMPN site you should have your options set to N, for No. Should a borrower want to sign a paper MPN, of course, you can request the common record that one must be printed and either mailed to the borrower or to you, the school. More information concerning school MPN options is presented in the Programmatic Primer, and the Programmatic Primer has already been presented for this week. However, we can get you the information if you need it.

The eMPN participation, that's the next one. Your school will appear in the drop-down box on the eMPN website if you select Y, for yes, to eMPN Participation. Otherwise, if you select N for No, then your school will not appear in the drop-down box on the eMPN website.

The LOR Required -- this means the Loan Origination Record required. This option asks the question, answers this question for you, is the loan origination record required? This option allows you to specify whether your borrowers may complete their eMPN before the school has submitted an origination record. It is your choice on how you want the timing to work.

Multiple Location, if this option is set to Y, for Yes, your school will appear in the drop-down box for all states in the eMPN site. Otherwise, it will only appear in the state which appears on your school's official address. So this is very important, that you get the multiple location designation as you choose it.

Message, that -- now, this is a cool one. Here's a way to individualize your school's acknowledgement to your borrower. You may create a school-specific message that is sent to your borrower if that borrower has provided an email address. This message is included in the acknowledgement email that COD sends to your borrower. Many schools input something like, "Hello, and welcome to our school. Thank you for choosing us," that kind of thing.

The School Name option, which is the last one that we're going to talk about, allows you to determine how your school's name appears on the eMPN website. This option must be less than 30 characters in length.

So, let's choose Cash Activity from the navigation directory on the left and see what happens. Here is the Cash Activity screen. It provides key information about your school's daily cash activities. You may choose the program and award year that you want to view by changing the selection at the top of the screen.

This page displays all drawdowns, refunds of cash and returns of cash for the school for the particular program and award year. The screen is divided into two parts. On the left of the screen is a list of descriptors of key values that assist in managing your cash, such as refunds of cash and days left for on-time reporting. In addition, there are cumulative totals that go with some of the descriptors. Then on the right are the values associated with those descriptors listed by date, so that each day's activities are in a column headed by that day's date. The source for this daily data is G5, our financial management website. Now, at the bottom of the page it says that the source system is GAPS, but that's G5's former name. It really is our updated G5.

Notice the scroll bars on the bottom right. We can scroll to the right or to the left horizontally to see all of your daily cash activities in reverse chronological order so that today's date is the first that you see, and as you scroll you will be seeing yesterday and then the day before and then the day before. To see past drawdown information, use the scroll bar to scroll to the right. This screen helps you to see whether the funds have been completely substantiated or accounted for. Substantiated a loan means that you have enough net drawdown that equal the net disbursements that you've reported to COD. In other words, you're in balance.

If you choose the Printer Friendly link that's on the upper right on this screen, you will see all of your cash drawdowns displayed vertically. If you print out the Printer Friendly screen or a similar report from G5 you can compare them side by side to help in resolving cash discrepancies. You may also use this function to check whether drawdowns have been made by your business office. This data is updated as of the previous night's processing. So your school may want to use a combination of this screen and funding information from G5 if there is a discrepancy to be resolved. The funding information available on the COD website is discussed more in the Direct Loan Reconciliation webinar.

Now let's look at your school year's total. By selecting school Yearly Totals on the navigation directory we see the display that is the up-to-date total dollar amounts awarded and disbursed as well as the total number of recipients per program. This screen is helpful in tracking your school's overall activity in each program. Yearly awards are broken down to total awarded and

total disbursed, and the number of recipients are listed by program. Now let's click on the Report section. Looking at the navigation directory on the left, we'll click Reports.

The Report Selection screen is a page of options where you select the format in which you receive your school reports by selecting the program type, the award year and the report format option from drop-down boxes. Also, you may choose not to receive any reports at all. This screen shows the result after selections are made. Each report option must be selected individually, choosing from preformatted, comma delimited and pipe delimited. For some reports, this link and Do Not Distribute are options. Once the desired options are selected, click the Submit button to process the change. Prior to choosing any option, ensure your software will be able to receive and process that selected format. More detail about this topic is provided in the Direct Loan Reports webinar, which will be done tomorrow. Not to late to sign up, if you're interested.

Now let's look at the SAS Options, the School Account Statement Options. These are also set up in the COD. This screen lists all of the options for formatting your school's School Account Statement, or, as I like it, the SAS. That's kind of a cute name. The SAS is generated on the first weekend of the month and includes all of the data through the last day of the previous month. If you change options, they will apply to your next regularly scheduled run of the SAS.

Setting up your reports so that they fit your school's needs is important, so let me take a moment to point out the report options available. First we'll look under the SAS Options heading. There are three options to set there. First, the Report Format option allows you to choose the format in which COD generates your school's report. Format options are fixed length, comma delimited, comma delimited with headers or pipe delimited. If you plan to use DL Tools to run a comparison to your school's database, you must select Fixed Length. So, please select Fixed Length if you plan to use DL Tools.

Next is Include Names of Borrowers. This is a simple yes or no. This option is available for all formats except that fixed-length one that we just talked about. It shows the disbursement detail either monthly or year to date.

The Report Activity Type option determines whether your school receives monthly cash detail, year-to-date cash detail or both monthly and year-to-date cash detail in your SAS Report. It will also determine the level of detail you can choose to receive in the Disbursement and Loan Level Detail sections of this report. These options are set separately, since Disbursement and Loan Detail is optional for your school to receive. If you choose both monthly and year-to-date cash detail, your school will receive at least separate SAS reports each moth, one with the monthly detail and one with the year-to-date detail. If you use the DL Tools software to compare the SAS to your internal school records each month, then you must receive the year-to-date detail on the SAS report. So, the two things that we're recommending is Fixed Length and Year-to-Date detail.

Now let's look under the second heading, the Sections of the SAS to receive. Under this heading we'll see the Summary of Loan Type, and it refers to the disbursement summary by loan type section of the SAS report. Many schools find this information useful in determining loan

volumes disbursed by each loan type, such as sub, unsub, PLUS, or totals of each loan type. This information is not used in reconciliation. Some people just want to know. The disbursement detail section provides transaction-level detail of all disbursements and adjustments accepted or booked during the reporting period.

And the last one we're going to look at is the Loan Level option. It provides a total disbursed amount for each loan that was accepted or booked on COD for the program year to date. This section of the SAS is not available for a monthly period and is only available in the year-to-date report.

So, we've looked at the Person screen and the School screen, and we've discussed valuable, practical how-tos in Direct Loans. Now let's look at what's available under the Batch tab.

Direct Loans are input to COD via files, and these files are called documents, common records or batches. They are all names for the very same thing, that very same file. Well, in this discussion we'll refer to them as batches. So what, exactly, is a batch? Think of a batch as an envelope into which you may put one item or many items. A batch may hold one student record or many student records. The records may be one award type or many award types. When your school sends a batch to the COD, later you may want to see the status of the batch you sent.

Let's look at some of the options available under the Batch tab and how you will use them in Direct Loan. Click on the Batch tab on the blue menu bar to open the Batch search. You will use this screen to search for existing batches. As you can see, there are three gray boxes, each with a slightly different method to find the batch.

Let's look at the first gray box. It's used to search for batches using a date range. Enter only the date range up to 60 days. Smaller ranges return information more quickly, and that's a good tip. Let's look at the second gray box. Enter the Document ID to search for a specific document, or batch. The third and last box is used to search for all records for a particular person. Enter that person's Social Security number and the Award Year. To filter the results by status you can also use drop-down boxes. By completing the fields for your search method, click on Search at the bottom of the first page -- of this page, and this will take you to the Results screen that we will see on the next slide.

Here are the search results of a 31-day date range search. At the top of the screen you may filter for Batch Type and Award Year to hone in on the documents or batches that you want to work with. The Document Identifier consists of the date and time, down to the very second, when the document was received at COD. Plus, there's some other information in there. The documents are listed with the most recent ones on top. Notice that each of the documents or batches is a hyperlink, and by clicking on it we'll be taken to the detail for that document, or batch. Let's see that -- we'll see more of that on the next slide, but first let's go through what we can see here on this screen.

That first column is the Document Identifier, and we've already talked about that. Let's look at the second column, the Record Type. It lists the types of records within the document, and these are all Direct Loan records. The third type identifies the document type, such as BN for booking

notification, PN for a promissory note, and, as in our example, RS, which the response you'll receive when you send in the document via the school's software. WB is the response you'll receive when you input a document using COD Online. The Status column displays the status of the document itself -- not the records that are within the document, just the document itself. And our example here is Accepted.

Students column displays the number of students in the batch -- not the number of records, just the number of students, unduplicated students. And in our example there are 23 students that are accepted. Rejected displays the number of rejected students in the batch. We have three rejected students who did not pass the identifier match, which means that the data that was submitted by the school did not match the data on file in the Central Processing System. When there is a student-level reject, all awards and disbursements associated with that student are also rejected, even if you put the information in correctly. That's because it rejected at the student level, so the batch never, or that record never was accepted into COD. Warning, which is the last one we're going to look at, indicates whether the document contained any warnings. If it does, it will have a Y for yes, as in our example, and an N for no.

Now, look at the batch in the red box. We highlighted that one for you so you can see it clearly. Notice that the school sent the document to COD on September 15 -- ha ha, today -- in 2009 and COD processed and responded to the data in that batch for the very same day. There is no date in the Date Response Sent field. If there is no date in the Date Response Sent field -- there is in this one, but what if there weren't -- then the document has not finished processing in COD. If you submit a batch and you do not receive a response within 24 hours, please call COD School Relations Center. These folks are wonderful there, and they will research the status and assist you in processing that batch. Sometimes batches get stuck, for lack of any other word.

A special note: There is no indicator whether there are any Rejects associated with the data that's in the document. All of this screen is about the document itself and the students in the document. So, let's look at the detail for the highlighted batch that's on this screen, which we have highlighted, and we'll look at the detail about this highlighted batch on the next screen.

When we click on the blue hyperlink Batch ID, we'll be taken to this Batch Summary and Detail Information at the top of this screen. This screen shows a batch summary for all the records that are in the document. In the orange circle, notice the total number of students in the document. Then, moving down to the red box, we see the total number of awards and corresponding total dollar value, as well as a number of disbursements and corresponding dollar volume. In the green box are the total number of awards accepted and rejected, along with their corresponding dollar volumes. And the last one is the yellow box. It highlights the total number of disbursements accepted and rejected. It's very important that you correct the rejected disbursement records, and you'll use these screens to identify those rejects. If we scroll down to the bottom of this screen, we see a filter and a list of individual students' record, that are in this batch.

So, here we scroll down to view the bottom of the previous screen. Here we see a listing of all of the student records. At the top of the list is a filter. See it at the top of your screen? This filter will sort this list to make it easier to find the records that you want to view. We can sort by Social Security number for a specific student, or by Award Type, such as DLU for Direct Loan

Unsubsidized, and DLS for Direct Loan Subsidized or DLP for Direct Loan PLUS. And we can sort by status, such as Accepted, Rejected, Accepted with Corrections, or Duplicate. In this example we chose award type Direct Loan Subsidized, and we chose Status Rejected as our filter. So we will view only the Sub loans with rejected data that needs correction. Our results show four rejected Direct Loan Subsidized records. To return to viewing all records, then we click on Reset Filter in the upper right corner.

Let's talk a little about each column. In the first column we see all of these records are from the '09-10 award year, and in this next column it lists the borrower's name. The third column is entitled SSN, which stands for Social Security number, and it contains two items: the student's Social Security number and the record's status, in this case Rejected. If we click on the Social Security number hyperlink we are taken directly to the Update Person screen, from which you may view and update the student's Abbreviated Applicant File Data, the one that was sent to COD from the student's ISIR. This link allows you to view both award data and disbursement data. Also under that SSN heading you may select the Rejected hyperlink. If you do that, you'll go to the Record Errors screen, which contains a list of all of the Edit warnings and rejects for the student's data in that document. From this screen you may also view the student's record and response.

The next column we see the Award Type. In our example it's DLS, Direct Loan Subsidized, and the Award No. Column has two hyperlinks, the number, 001, and the status, which is, in this case, Rejected. If we click on either one we'll be taken to that same Record Errors screen that we view under Social Security, Account Number, Rejected hyperlink. And the last one, under the Disbursement Number column, there again two hyperlinks, the number, 01, and the status, Rejected.

If we click on the Disbursement Number on our example 01, we'll be taken to the Disbursement List screen, which lists the disbursements planned for this award and some information about each of these disbursements. Now, if we choose the status link Rejected we'll be taken to that same Record Errors screen that we've talked about before that lists the warnings, edits and rejects for this record. If you click on one of the blue hyperlinks on this page, it will take you to details associated with that link that you have chosen. So what we're saying here is that on this one single screen there are multiple links that will help you to research and correct all of your rejects -- an extremely valuable screen for you.

Let's say that we clicked on the Rejected on the previous screen. Then we'll see that this student's record has a reject and a warning associated with it. This reject is a Person reject, which means that the Person information doesn't match the data that's in Central Processing System, CPS. There's also a disbursement error warning, which means that there are disbursement data issues. From this screen we may view the record that our school sent to COD by selecting the View Record button. If we choose the View Response button, then we'll see the COD response that includes any field that had data rejects. So let's say that we click on the View Response button.

Here's our View Response screen. When we view the response we can see that it is divided by the major groups of data or building blocks of the XML document: the Common Record Information, the Student Information, the Award Information and the Loan information. For

example, under the Student Information block, the data did not match the CPS data, so the response is R for rejected. See it's circled right there? Each of these data groups stack upon each other and are foundational to the next group being accepted. If the first one isn't accepted, the information abut the school, the information about the student, then the next ones, the information about the award and the loan information, cannot be accepted.

Let's scroll down this page to see the other data grouping headings. Let's look at the Award Information block. Here there is a response indicator of R, which shows that all of the data did not pass the COD edit. Under the Disbursement Information block there is a response indicator of R that shows that the data was rejected. XML data is a structured group, is an architecture of groups or blocks that build upon teach other, so that the foundational data groups must be accepted in COD before additional data groups may be accepted. Person data is a foundational block of information. Without the Accepted Person information, the Award and Disbursement Information records cannot be accepted.

At the bottom of the page there are four buttons that link to update screens, the View Person Data, the View Award Data, the View Disbursement Data and View Record. We could choose to correct this record online by selecting one of these buttons. If your school software accepts web responses, this is a very good way to do it. If your software doesn't accept web responses, you can make a note of the reject reason and correct it in your school's software and then resubmit it to COD.

What we've just completed was researching reject edits, doing a date range batch search. Good information.

Now, let's look at another topic, the Action Queue function. The Action Queue search is used to search for disbursement records that are still in a pending status. These records can then be selected as a group or individually, and then the records can be marked as actual disbursements for COD. This is very helpful in the reconciliation process.

To go to the Action Queue search screen, choose Action Queue from the Batch menu. There we see two gray boxes that are the two search methods used in an Action Queue search. The top gray box is used to search for a batch sent within a date range. The Date Range Search is not limited to 60 days for the Action Queue, as it was in the previous discussion and in the Batch search. It can be used for 30 days, or it can be five years or whatever you need. This example is two years.

The second gray box is used to search for a specific batch. You would type in the Batch ID and all of the pending records within that batch will display. Only batches that have Disbursement in Review status will display.

The Action Queue is very helpful for reconciliation. Reconciliation is the process in which a school reconciles the funds that it has received to pay its students with to actual disbursement records that have been forwarded to COD. The reconciliation process is similar to reconciling your checkbook on a monthly basis. Essentially, when you reconcile you are comparing the disbursement and draw-down transactions in your system with those recorded in COD to ensure

that everything has been accounted for. Use the Action Queue for reconciliation by entering in a date range search for pending disbursements in any date range.

There are two ways to handle any records that display. First, you can choose to release the disbursement by marking the check box to make sure that record has an actual disbursement and then select the Process Selected Disbursements button from the bottom of the page, or you can cancel or zero out the disbursement either online or through your school's software.

Now we're going to change topics again. This time we're going to talk about the many, many reports available in COD to assist you in managing your Direct Loan program. Many of these reports can be found in the Direct Loan Newsbox, which is accessed by selecting a series of links. First you would go to your main menu bar and select Services, then the COD Reports hyperlink that will appear in the middle of that screen, and then, last, Direct Loan Reports. The Direct Loan Newsbox is a list of hyperlinks that take you to reports for your school, such as the 30-day Warning Report and the MPNs Due to Expire Report. Let's look at examples of those reports.

When you view reports through your Direct Loan Newsbox, they will most often appear as comma delimited in an Excel spreadsheet, which you can then save and manipulate. Some of the identifying information has been blocked on this report to protect privacy data, so when you see yours it won't look exactly like this. It won't have as much white space.

This is an example of a 30-day Warning Report. Although called a warning, this report is simply a report to help the school identify unbooked loans for which all required booking elements have not been received by COD. The three pieces of data required to book a loan, remember those, they're an Accepted Origination Record, an Accepted Master Promissory Note and an Accepted Disbursement. These three data elements must be submitted to the Department within 30 days of the actual initial disbursement date to avoid violation of the 30-day reporting requirement. As part of your Direct Loan process, you will want to utilize this 30-day warning report, either by viewing it on the web or by importing it into your school's software. It will be sent to you via SAIG, and you can import it into your mailbox.

In addition to being available for viewing in COD, the 30-day warning report is automatically sent on a monthly basis to your school's SAIG mailbox. This valuable report is helpful to accomplish four important tasks. First you can identified the missing elements necessary for booking the loan. Second, you can identify Master Promissory Notes waiting for award records. And, third, you can reconcile your school's internal records of unbooked loans. And, last, you can monitor compliance with a 30-day reporting requirement. Very important.

On this report PLUS Loans are listed first, followed by Sub and then Unsub loans. In this example, loans and promissory notes are already on file for each of these borrowers, but an actual disbursement is needed to book these loans. Please note that an unbooked loan origination record stays on the report for 90 days. The records are listed if there any activities occurring on the award during that reporting period, which is a 90-day reporting period, 120 days prior to the report run date. The additional 30 days, 90 days + 30 days is allowed to allow time for the 30-day reporting requirement.

For example, if an award is accepted on October 15, 2009, without a promissory note or without a disbursement it will not appear on the October 2009 30-day warning report, since 30 days have not yet passed since the award was accepted. The record will instead appear on the November, December and January reports if the award remains unbooked. Unlinked promissory notes will appear on the report for 30 days, and appear only if the promissory note was received within that reporting period, a 30-day period beginning 30 days prior to the report run date. Also, PLUS Loans with rejected credit decisions will not appear on this report.

This is an example of the MPNs Due to Expire Report. Since the Direct Loan Electronic Promissory Note process has reached 10 years now, many of your students that have completed promissory notes may be approaching their expiration dates. The MPNs due to expire report can be a very useful tool in reaching out to those students who need to complete a new Direct Loan Master Promissory note for the upcoming award years. If you are using a current Direct Loan Master Promissory Note and the expiration date is after the beginning of the loan period and after the first disbursement date, then you may continue to disburse on the loans linked to that note through the remainder of that particular loan period.

Because of time constraints we only talked about two reports today, the 30-day warning report and the MPN Due to Expire Report. But there are many more reports that will assist you in efficiently and effectively managing your Direct Loan program. As part of this training series we are offering an entire session, Direct Loan Reports, tomorrow, which will introduce you to a variety of reports that will assist you in your administration of Direct Loans. That session will also highlight some issues common to many schools and explain how various reports can assist in resolving these matters.

The Department of Education provides several websites for you. I hope you've already found the Information for Financial Aid Professionals website. We call it IFAP. IFAP groups -- it's sort of like a table of contents, and it groups all of the resources so that you can find things easily. In addition, you can subscribe to IFAP and set it up just for your needs, so that you can select the topics about which you want to receive information.

There are also -- one of the groups is Tools for Schools, for example, and you can access our self-paced COD training and get up-to-date information on our conferences upcoming. We have one upcoming at the end of November, the beginning of December, the FSA Conference, very important conference to come to if you can. The Direct Loan website contains a wealth of Direct Loan-specific information for both schools and borrowers, such as things like parent and student publication, access to the Entrance Counseling Guide, and the PLUS Loan brochure.

Direct Loan School Guide is there, as well as other links to other Direct Loan-related sites. The FSA Download link is where you would find the absolutely invaluable COD technical reference and the implementation guide. This document isn't just for technical folks. It's a clear, well-written explanation of COD's business reasons, their edit codes, the definitions and many, many more. You'll want to bookmark this reference, especially Volume II, Section 4 of the COD Technical Reference and Implementation Guide.

This is a list of all classes that are available in the Direct Loan training suite. Have I mentioned yet that there are two more classes tomorrow, the Direct Loan Reports and Direct Loan Tools, and it's not to late to register for those classes if you are interested. They're very helpful.

Speaking to a real human being is also helpful, and this is the access to our Customer Service Centers: the COD School Relations Center; the Direct Loan Servicing, which manages the loans after they've gone into payment; and Direct Loan Consolidation Center.

Now, Maria Marcella has been our question-and-answer lady today, and she's been wonderful in answering your questions. However, if all of your questions didn't get answered in this class you may write to Direct Loan Enrollment at Dlenrollment_fsa@ed.gov. That's an organization that specifically is there to help you, to answer questions about this training and about how to enroll and participate in Direct Loan.

Now, we're going to do two things at once here. I'm going to put on a survey here -- there it is -- I think it's there -- there it is -- that we would like for you to complete. This survey is about how this training went. It gives you a comment space so that you can talk about other training that you would like to see, additional information that you would like to have, anything that relates to the training. We love to hear from you. We do read these, and we do want to know what we can do to improve the quality of our training or to add the topics in that you need to have answered.

So, while you are doing this survey we are going to turn the program over to Maria Marcella, who will talk to us about some of the key questions that were asked during this session. Take it away, Maria.

Maria Marcella: Thanks, Margaret. Unfortunately, we had very few questions today, less than 15, I think, and none of them were general enough for me to present to the group today. They were all pretty school specific. So, unfortunately, I don't have anything for you today.

Margaret Day: Okay. Thank you, Maria. Thank you for all your hard work. We appreciate it.

And we appreciate you, too, our listeners. We know that this is a pretty detailed class, and you have to kind of "power listen" to stay attentive to all the many details that we go through, so we do appreciate your attending this class and your attentiveness during this class.

This ends the auditory portion of this training. We're going to leave this screen up for just a few more minutes so that you may complete the survey. If you have any questions, Maria is still here, so please feel free to go ahead and turn in your question right now.

You can download the slides if you'd like to, also. We're going to leave it up for that for just a couple of minutes. Click on the Download Slides button that's right up under the screen and you can begin downloading the slides from there.

So this concludes, then, the auditory portion of this training. Thank you for your time.